

PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, January 15, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar (telephonically).

Minutes

The Commission approved the minutes of the Open Meetings of Thursday, December 18, 2008, and Tuesday, December 30, 2008.

4310-CW-106 - Application of the Oak Creek Water and Sewer Utility, Milwaukee County, Wisconsin, to Construct a Water Treatment Plant Expansion

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6580-WR-102 - Application of Winneconne Water Utility, Winnebago County, Wisconsin, for Authority to Revise its Public Fire Protection Charge Recovery Method

The Commission approved the Notice of Proceeding and Telephonic Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-EI-147 - Investigation to Assess Wisconsin's Potential for the Development of Utility Investments in Solar Energy Resources to Cost-Effectively Contribute to Wisconsin's Electric Supply

The Commission modified and approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-EI-148 - Investigation on the Commission's Own Motion Regarding Advanced Renewable Tariff Development

The Commission modified and approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-EI-144 - Harnessing Wisconsin's Energy Resources: An Initial Investigation into Great Lakes Wind Development

The Commission discussed the report entitled "Harnessing Wisconsin's Energy Resources: An Initial Investigation into Great Lakes Wind Development" and directed that copies be sent to the Governor, the co-chairs of the legislative utility committees, the legislative leadership and the congressional delegation. The Commission also discussed the next steps that should be taken on

this issue and identified the following areas where additional action is needed: (1) data collection on wind directions and strength, including collaboration with WE Energies on their efforts in this area; (2) additional research and development in foundations, with the goal of engaging the University of Wisconsin to get this research and development in the state; (3) look into developing a generic environmental impact statement to assist the first potential developer in assessing the viability of a wind project in the Great Lakes; (4) statutory changes that are necessary to more clearly define the law; (5) federal agency coordination to make sure that regulatory requirements are streamlined; and (6) ensure that transmission planning processes start to include the potential for wind energy being generated on the Great Lakes.

5-GF-179 - Accounting Order to Defer the Revenue Requirement Impacts Resulting from the Emergency Economic Stabilization Act of 2008 for Dahlberg Light and Power Company, Madison Gas and Electric Company, North Central Power Company, Northern States Power Company-Wisconsin, Northwestern Wisconsin Electric Company, Pioneer Power and Light Company, Superior Water, Light and Power Company, Wisconsin Electric Power Company, Wisconsin Power and Light Company, and Wisconsin Public Service Corporation

The Commission directed Dahlberg Light and Power Company, Madison Gas and Electric Company, North Central Power Company, Northern States Power Company-Wisconsin, Northwestern Wisconsin Electric Company, Pioneer Power and Light Company, Superior Water, Light and Power Company, Wisconsin Electric Power Company, Wisconsin Power and Light Company, and Wisconsin Public Service Corporation to defer the revenue requirement impacts resulting from the Emergency Economic Stabilization Act of 2008 until further rate proceedings when impacts are discernible.

The Commission directed the Gas and Energy Division to draft an order consistent with its decision.

6680-GF-125 - Application of Wisconsin Power and Light Company for Extension of Time for Meter Testing Requirements

The Commission approved the request filed on behalf of Wisconsin Power and Light Company for extensions of time for meter testing requirements.

The Commission directed the Gas and Energy Division to draft an order consistent with its decision.

Proposed Revision to Module E of the Midwest Independent Transmission System Operator, Inc. Transmission and Energy Market Tariff that Would Allow the Recognition of Load Reductions that Result From Price Responsive Demand in the Determination of Load Forecasts for the Purpose of Meeting Planning Reserve Requirements

The Commission discussed the proposed modification to Module E relating to the reflection of Price Responsive Demand in load forecasts. The Commission rejected the proposed tariff modification as written. The Commission indicated it would be willing to entertain a tariff change addressing price responsive demand provided that it included sufficient safeguards such as verification of load forecasts, penalties, and load shedding issues.

Transmission Cost Allocation Negotiations

The Commission discussed its position on cost-allocation issues that will be negotiated in the Organization of MISO States (OMS), Upper Midwest Transmission Development Initiative (UMTDI) and Midwestern Governors Association (MGA) initiatives. The Commission answered the questions for the OMS survey concerning Regional Expansion Criteria and Benefits (RECB) I, RECB II, RECB III and cross border allocations. The Commission noted that it will continue its discussions on cost-allocation principles. The Commissioners agreed that additional discussion of this item will be included on the agenda for the Commission's next open meeting.

Transmission Planning in the Eastern Interconnection

The Commission reviewed the status of current transmission planning efforts and agreed to continue the discussion on Wisconsin's regional planning goals in order to inform the ongoing negotiations at the Midwest Independent Transmission System Operator, Inc., OMS, UMTDI and MGA.

6720-TI-205 - Complaint of TDS Metrocom, LLC Against Wisconsin Bell Inc., d/b/a AT&T Wisconsin

Motion for Dismissal

The Commission granted the motion for dismissal filed on behalf of TDS Metrocom, LLC, and closed the docket.

The Commission directed the Telecommunications Division to draft an order consistent with its decision.

6720-TI-212 - Petition of TDS Metrocom, LLC for a Determination of Rates and Costs for Certain Unbundled Network Elements of Wisconsin Bell, Inc., d/b/a AT&T Wisconsin

Motion for Dismissal

The Commission granted the statutory deadline waiver request and motion for dismissal filed on behalf of TDS Metrocom, LLC, and closed the docket.

The Commission directed the Telecommunications Division to draft an order consistent with its decision.

6630-113706 - Complaint Filed by Mr. Michael Payleitner Against Wisconsin Electric Power Company (WE Energies)

The Commission discussed the complaint against We Energies filed by Mr. Michael Payleitner.

The Commission determined Mr. Payleitner would be given 10 days to provide additional information in regard to this matter and that We Energies would be given 10 days to reply to Mr. Payleitner's response.

The Commission directed the Division of Water, Compliance and Consumer Affairs to draft a letter consistent with its discussion.

6690-114823 - Complaint Filed by Mr. Jerome Szymik Against Wisconsin Public Service Corporation

The Commission determined that Mr. Jerome Szymik's request for a formal review of his complaint against Wisconsin Public Service Corporation, related to disputed meter charges he claims he did not request, is without merit.

The Commission directed the Division of Water, Compliance and Consumer Affairs to draft an order consistent with its discussion.

5780-CE-104 - Application of the City of Sturgeon Bay for Authority to Build a New 69 to 12.47 kV Substation with Feeder Bays, and Modify the Existing Redwood Substation, Located in Door County, Wisconsin

The Commission discussed the record in this docket and made determinations, including the following:

1. There is a need for the construction of a new 69 to 12.47 kilovolt substation with feeder bays and modification of the existing Redwood Substation by Sturgeon Bay Utilities.
2. The Lily Bay Road site is approved as a reasonable location for the proposed substation, subject to conditions.
3. Sturgeon Bay Utilities should continue to negotiate with Mr. Stan Johnson regarding the purchase of his property.
4. A berm and fence arrangement consistent with the landscape plans already drawn up by the utility shall be built around the facility.
5. Mr. Johnson and the Lily Bay Concerned Citizens neighborhood organization shall be reasonably consulted on the design of the barriers, the intent of which is to minimize the noise and aesthetic issues.
6. Appropriate foliage shall be planted and maintained on the border between Mr. Johnson's property and the substation property; additional foliage shall be planted on Mr. Johnson's property if he so desires.
7. The substation shall be built to allow future placement of a wall or other structure to reduce noise from the substation.
8. Subsequent to operation of the substation, Sturgeon Bay Utilities shall check the noise levels at the substation and the Johnson residence and attempt to come to an agreement on whether the additional noise reduction structure is necessary. If an agreement cannot be reached, either party may come back to the Commission for a decision on this issue. Such decision, if required, shall be delegated to the administrator of the Gas and Energy Division.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

Sandra J. Paske
Secretary to the Commission